

51-7-13 Funds of member institutions of state system of higher education and public education foundations -- Authorized deposits or investments.

- (1) The provisions of this section apply to all funds of:
 - (a) higher education institutions, other than endowment funds, that are not transferred to the state treasurer under Section 51-7-4; and
 - (b) public education foundations established under Section 53A-4-205.
- (2)
 - (a) Proceeds of general obligation bond issues and all funds pledged or otherwise dedicated to the payment of interest and principal of general obligation bonds issued by or for the benefit of the institution shall be invested according to the requirements of:
 - (i) Section 51-7-11 and the rules of the council; or
 - (ii) the terms of the borrowing instruments applicable to those bonds and funds if those terms are more restrictive than Section 51-7-11.
 - (b)
 - (i) The public treasurer shall invest the proceeds of bonds other than general obligation bonds issued by or for the benefit of the institution and all funds pledged or otherwise dedicated to the payment of interest and principal of bonds other than general obligation bonds according to the terms of the borrowing instruments applicable to those bonds.
 - (ii) If no provisions governing investment of bond proceeds or pledged or dedicated funds are contained in the borrowing instruments applicable to those bonds or funds, the public treasurer shall comply with the requirements of Section 51-7-11 in investing those proceeds and funds.
 - (c) All other funds in the custody or control of any of those institutions or public education foundations shall be invested as provided in Section 51-7-11 and the rules of the council.
- (3)
 - (a) Each institution shall make monthly reports detailing the deposit and investment of funds in its custody or control to its institutional council and the State Board of Regents.
 - (b) The state auditor may conduct or cause to be conducted an annual audit of the investment program of each institution.
 - (c) The State Board of Regents shall:
 - (i) require whatever internal controls and supervision are necessary to ensure the appropriate safekeeping, investment, and accounting for all funds of these institutions; and
 - (ii) submit annually to the governor and the Legislature a summary report of all investments by institutions under its jurisdiction.

Amended by Chapter 178, 2005 General Session